

# **Strategic Value Implications of Transformative Marketing**

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Thesis submitted in fulfilment of the requirements for  
the degree of

**Doctor of Philosophy**

under the supervision of Prof. Ashish Sinha, and  
Dr. Valeria Noguti

**Thesis format:** *Thesis by compilation*

University of Technology Sydney  
Faculty of Marketing

January 2021

## **Certificate of Original Authorship**

I, Manjunath Padigar, declare that this thesis is submitted in fulfilment of the requirements for the award of Doctor of Philosophy, in the Business School at the University of Technology Sydney.

This thesis is wholly my own work unless otherwise referenced or acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis.

This document has not been submitted for qualifications at any other academic institution.

This research is supported by the Australian Government Research Training Program.

Signature:      Production Note:  
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Date: 15<sup>th</sup> January, 2021

## Acknowledgement

This work would not have been possible without the support and guidance of Prof. Ashish Sinha and Dr. Valeria Noguti, my principal and alternate supervisors, respectively. I am very fortunate to have had the opportunity to work under and learn directly from Prof. Ashish Sinha, who has supported me beyond the scope of work presented in this thesis. I find it impossible to give him enough credit here for all that he has done for me.

There are many others who have generously supported me with their time, guidance, and help, and I am extremely thankful to every one of them. First, I am indebted to the UTS Marketing Department's research committee for accepting me into the PhD program and giving me an opportunity to begin my scholarly pursuit. Special thanks to Dr. Hillbun Ho for providing mentorship and advice on various topics including my research. I am also thankful to the mentorship and help from the faculty members at the Indian School of Business including Prof. Rajendra Srivastava, Asst. Prof. Kiran Peddada, and Asst. Prof. Arunachalam. S.

Another group of people that I have been fortunate to interact with is that of my PhD colleagues including Dr. Ljubomir Pupovac, Dimitri Simonin, Dr. Alex Belli, Atya Zeb, Ella Bruce, Aristus Ochionuoha, and Aimee Smith. Without their support and friendship, my PhD journey would have been exanimated and infinitesimally more challenging. I am also thankful to every professional staff member at UTS Marketing Department and Business Research Office, particularly to Courtney O'Regan, Ashleigh Hall, Michael Lee, Mariana de Lucca Zaggia, and Aki Plume for providing timely support to all my queries.

It is needless to mention the role of family and friends in challenging times, which in case of a PhD student extends over several years! However, this acknowledgement would be incomplete without mentioning them. Chandana, my wife, has been a pillar of support and a constant source of inspiration and love. Her role in helping me carve a career of my choice, which is still work-in-progress, is undeniably critical. I would also like to thank my parents, Ramanand and Vijayalaxmi Padigar, for being the ultimate role models, and my lovely and supportive siblings Meera and Veena. To my friends - Pradhyumna, Dhananjay, Abhishek, Vaishnavi, and Shreya, I would like to say thank you for always being there for me.

Finally, I am also grateful to the financial support provided by the UTS Doctoral Scholarship and the support of Australian Government Research Training Program Scholarship, without which it would have been difficult to remain focused on my research.

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## Thesis Abstract

Transformative marketing is defined as the confluence of a firm's marketing strategies, assets, and resources in response to marketplace changes and future trends to leapfrog customers with superior value offerings over competition in exchange for profits for the firm and benefits to all stakeholders. The present thesis, a systematic exposition in a compilation of two essays, is focused on outcomes for shareholders, one of the key stakeholders of the firm, based on marketing's strategic choices made in response to emerging technologies and emerging customer segments. Specifically, the first essay, titled "*Investor Response to Emerging Technology-based New Product Innovations: Evidence from Stock Market Returns to Artificial Intelligence-enabled New Product Announcements*", is focused on understanding the impact of emerging technology adoption (henceforth ETA) on shareholder value. We develop a comprehensive framework to assess investor response based on screening, organization, and innovation theories, and we adopt an event study methodology to examine how investors respond to ETAs. We argue and demonstrate that investors respond favorably to ETA announcements from firms with high (vs low) marketing department power. Furthermore, we demonstrate the moderating role of the fit between resources and competences managed by marketing department power and those demanded by the innovation characteristics such as innovation stage (i.e., initiation, development, and commercialization), route to innovation (i.e., make, ally, and buy), and adoption level (i.e., product-platform level and component level). Next, in the second essay, titled "*Effects of Emerging Customer Orientation on Shareholder Value: The Moderating Role of Marketing Capabilities*", we investigate effects of firm's emerging customer orientation – i.e., the extent to which a firm is focused on the needs of emerging customer segments, on shareholder value. We develop a framework based on dynamic capabilities to argue and demonstrate that firm's emerging customer orientation can positively influence shareholder value but only

when complemented with the necessary marketing capabilities to build and leverage market-based assets. Overall, we believe that these two essays will contribute significantly to research on transformative marketing by establishing when and how it affects shareholder value. Further, the implications drawn from this thesis can help practitioners with actionable insights on how to respond to emerging technologies and emerging customer segments – two key forces that demand a transformational response.